December 2019





Farm Service Agency Electronic News Service

NEWSLETTER

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Nebraska State FSA Newsletter

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A Message from the State Executive Director

As we near the end of 2019, I want to take this opportunity to wish all our farmer and rancher customers a very Merry Christmas and a Happy New Year. We know it has been a challenging year for many of you, so we are excited to turn the calendar page to 2020. We look forward to working with you in the new year.

Below you'll find articles that highlight some of the key things keeping our offices busy right now. For example, many folks have been waiting for a general signup opportunity for the **Conservation Reserve Program (CRP)**. Well, the time has come, with our offices accepting applications through Feb. 28, 2020. This is a competitive process, not a first-come, first-served process, but I would strongly encourage you to not wait until the deadline to come see us if you are interested in the program. Our offices also are accepting election and enrollment for both 2019 and 2020 for the **Agriculture**

Lonnie Starke Mark Jagels

Program Chiefs:

Cathy Anderson, Production/Compliance Doug Klein, Conservation/Price Support Mark Wilke, Farm Loans Michael Kresin, Administrative Officer Tim Divis, Executive Officer

To find more information about FSA programming or contact information for your local office, go to www.fsa.usda.gov/ne.

Risk Coverage and Price Loss Coverage (ARC/PLC) commodity crop safety net programs. Read below to learn more about the deadlines and your options associated with these important programs.

Most folks this time of year are reviewing their financing options for the 2020 growing season. If you are having trouble securing commercial credit, or you are a beginning farmer or rancher, member of an ethnic minority or a woman producer, FSA has a number of farm loan program options that might be the right fit for you. I encourage you to review the various programs at this Link, and then call your local FSA farm loan office for an appointment. We have 21 offices across the state that are staffed full-time with farm loan personnel. To find your nearest FSA farm loan office, click here for the office locator tool.

That's all I've got for this month. Wishing you a happy and healthy start to the new year.

--Nancy Johner

Conservation Reserve Program Signup Open at FSA Through Feb. 28, 2020

USDA opened signup for the Conservation Reserve Program (CRP) on December 9, 2019. The deadline for agricultural producers to sign up for general CRP is February 28, 2020, while signup for continuous CRP is ongoing.

Farmers and ranchers who enroll in CRP receive a yearly rental payment for voluntarily establishing long-term, resource-conserving plant species, such as approved grasses or trees (known as "covers") to control soil erosion, improve water quality and develop wildlife habitat on marginally productive agricultural lands.

CRP has 22 million acres enrolled, but the 2018 Farm Bill lifted the cap to 27 million acres. This means farmers and ranchers have a chance to enroll in CRP for the first time or continue their participation for another term.

By enrolling in CRP, producers are improving water quality, reducing soil erosion, and restoring habitat for wildlife. This in turn spurs hunting, fishing, recreation, tourism, and other economic development across rural America.

CRP Enrollment Options

General Signup

CRP general signup will be held annually. The competitive general signup will now include increased opportunities for enrollment of wildlife habitat through the State Acres For Wildlife Enhancement (SAFE) initiative.

Continuous Signup

While some practices under SAFE will remain available through continuous signup, CRP continuous signup will focus primarily on water quality with the Clean Lakes, Estuaries, and Rivers (CLEAR) Initiative. The 2018 Farm Bill prioritizes water quality practices such as contour grass strips, filter strips, riparian buffers, wetlands and a new prairie strip.

USDA will also be working with Conservation Reserve Enhancement Program (CREP) partners to relaunch CREP continuous options in each state under new statutory provisions. CREP will continue to target high-priority local, state or regional conservation concerns.

Grasslands Signups

CRP Grasslands signup helps landowners and operators protect grassland, including rangeland, and pastureland and certain other lands while maintaining the areas as grazing lands. A separate CRP Grasslands signup will be offered each year following general signup.

Land Transition

The CRP Transition Incentives Program (TIP) is an option for producers interested in transitioning land to a beginning farmer or rancher or a member of a socially disadvantaged group to return land to production for sustainable grazing or crop production. CRP contract holders no longer need to be a retired or retiring owner or operator to transition their land. TIP participants may have a lease less than five years with an option to purchase, and they have two years before the end of the CRP contract to make conservation and land improvements.

Previously Expired Land

Land enrolled in CRP under a 15-year contract that expired in September 2017, 2018 or 2019, may be eligible for enrollment if there was no opportunity for re-enrollment and the practice under the expired contract has been maintained.

CRP Rates and Payments

FSA recently posted updated soil rental rates for CRP. County average rates are posted on the <u>CRP Statistics webpage</u>. Soil rental rates are statutorily prorated at 90 percent for continuous signup and 85 percent for general signup. The rental rates will be assessed annually. Under continuous signup, producers also receive incentives, including a signup incentive payment and a practice incentive payment.

To enroll in CRP, contact your local FSA county office or visit <u>fsa.usda.gov/crp</u>. To locate your local FSA office, visit <u>farmers.gov/service-locator</u>.

FSA Taking Enrollment for ARC/PLC Safety Net Programs for 2019, 2020

Agricultural producers now can enroll in the Agriculture Risk Coverage (ARC) and Price Loss Coverage (PLC) programs – two U.S. Department of Agriculture (USDA) safety net programs – for the 2019 and 2020 crop year.

ARC provides income support payments on historical base acres when actual crop revenue declines below a specified guaranteed level. PLC provides income support payments on historical base acres when the effective price for a covered commodity falls below its reference price. The 2018 Farm Bill reauthorized and updated both programs.

Signup for the 2019 crop year closes March 15, 2020, while signup for the 2020 crop year closes June 30, 2020.

ARC and PLC have options for the farm operator who is actively farming the land as well as the owner of the land. Farm owners also have a one-time opportunity to update PLC payment yields beginning with crop year 2020. If the farm owner and producer visit the FSA county office together, FSA can also update yield information during that visit.

Covered commodities include barley, canola, large and small chickpeas, corn, crambe, flaxseed, grain sorghum, lentils, mustard seed, oats, peanuts, dry peas, rapeseed, long grain rice, medium and short grain rice, safflower seed, seed cotton, sesame, soybeans, sunflower seed and wheat.

More Information

For more information on ARC and PLC including two online decision tools that assist producers in making enrollment and election decisions specific to their operations, visit the ARC and PLC webpage.

FSA Loan Servicing, Other Organization Resources Available During Financial Stress

There are options for Farm Service Agency loan customers during financial stress. If you are a borrower who is unable to make payments on a loan, contact your local FSA Farm Loan Manager to learn about the options available to you.

Farmers and ranchers also can access assistance through other entities in Nebraska that offer services during financially challenging times. The Rural Response Hotline provides referral and support services for farmers, ranchers and rural residents and their families. The number to call is (800) 464-0258.

The Nebraska Department of Agriculture manages the Negotiations Program, which offers mediation services for agricultural borrowers, creditors and USDA program participants. Through this program, participants also can access free one-on-one education on agricultural financial and legal matters. For information, call (402) 471-4876.

Farm Storage Facility Loans Available Through FSA

FSA's Farm Storage Facility Loan (FSFL) program provides low-interest financing to producers to build or upgrade storage facilities and to purchase portable (new or used) structures, equipment and storage and handling trucks.

The low-interest funds can be used to build or upgrade permanent facilities to store commodities. Eligible commodities include corn, grain sorghum, rice, soybeans, oats, peanuts, wheat, barley, minor oilseeds harvested as whole grain, pulse crops (lentils, chickpeas and dry peas), hay, honey,

renewable biomass, fruits, nuts and vegetables for cold storage facilities, floriculture, hops, maple sap, rye, milk, cheese, butter, yogurt, meat and poultry (unprocessed), eggs, and aquaculture (excluding systems that maintain live animals through uptake and discharge of water). Qualified facilities include grain bins, hay barns and cold storage facilities for eligible commodities.

Loans exceeding \$100,000 require additional security.

Producers do not need to demonstrate the lack of commercial credit availability to apply. The loans are designed to assist a diverse range of farming operations, including small and mid-sized businesses, new farmers, operations supplying local food and farmers markets, non-traditional farm products, and underserved producers.

To learn more about the FSA Farm Storage Facility Loan, visit this link or contact your local FSA county office. To find your local FSA county office, visit farmers.gov/service-locator.

USDA Offers Assistance for Farmers Hurt by 2018, 2019 Disasters

WHIP+ May Benefit Variety of Nebraska Producers for Varying Losses

Producers affected by natural disasters in 2018 and 2019 now can apply for assistance through the Wildfire and Hurricane Indemnity Program Plus (WHIP+) program.

WHIP+ Eligibility

WHIP+ is available for producers who have suffered eligible losses of certain crops, trees, bushes or vines in counties with a Presidential Emergency Disaster Declaration or a Secretarial Disaster Designation (primary counties only). A list of counties that received qualifying disaster declarations and designations is available at farmers.gov/recover/whip-plus. Also, producers with losses in counties that did not receive a disaster declaration or designation may still apply for WHIP+ but must provide supporting documentation to establish that the crops were directly affected by a qualifying disaster loss. In Nebraska, disaster losses must have been a result of floods, tornadoes, snowstorms or wildfires, and related conditions, that occurred in 2018 or 2019.

Eligible crops include those for which federal crop insurance or Noninsured Crop Disaster Assistance Program (NAP) coverage is available, excluding crops intended for grazing. Because grazing and livestock losses are covered by other disaster recovery programs offered through FSA, those losses are not eligible for WHIP+.

Both insured and uninsured producers are eligible to apply for WHIP+, but all producers who receive WHIP+ payments will be required to purchase crop insurance or NAP coverage, at the 60 percent coverage level or higher, for the next two available, consecutive crop years after the crop year for which WHIP+ payments were paid. Producers who fail to purchase crop insurance for the next two applicable, consecutive years will be required to pay back the WHIP+ payment.

WHIP+ Payments

WHIP+ payment amounts will be determined using a formula that includes several factors, including expected value of the crop, how much of the crop was actually harvested, and crop insurance coverage and payments issued on those crops. Producers with qualifying losses on insured crops

will receive between 75 percent and 95 percent of expected value; those who purchased the highest levels of coverage will receive 95 percent of the expected value.

Producers who did not insure their crops in 2018 or 2019 will receive 70 percent of the expected value of the lost crop.

At the time of sign-up, producers will be asked to provide verifiable and reliable production records. If a producer is unable to provide production records, WHIP+ payments will be determined based on the higher of either the actual loss certified by the producer and determined acceptable by FSA, or the county expected yield and county disaster yield. The county disaster yield is the production that a producer would have been expected to make based on the eligible disaster conditions in the county.

Producers with WHIP+ payments for 2018 disasters will be eligible for 100 percent of their calculated value. Producers with WHIP+ payments for 2019 disasters will be limited to an initial 50 percent of their calculated value, with an opportunity to receive up to the remaining 50 percent after January 1, 2020, if sufficient funding remains.

WHIP+ Prevented Planting

WHIP+, through the Farm Service Agency, will provide prevented planting assistance to uninsured producers, NAP producers and producers who may have been prevented from planting an insured crop in the 2018 crop year and those 2019 crops that had a final planting date prior to January 1, 2019.

In addition, WHIP+ provides prevented planting assistance to **uninsured** producers who may have been prevented from planting an **insurable** crop in 2019.

For More Information

Additional information about WHIP+ program eligibility and payment limitations can be found at <u>farmers.gov/recover</u> or by contacting your county FSA office. To locate your local FSA office, visit farmers.gov/service-locator.

Livestock Inventory Records Important for Disaster Programs

Producers are reminded to keep updated livestock inventory records. These records are necessary in the event of a natural disaster and are an important part of disaster assistance program applications, including applications for the Livestock Indemnity Program (LIP) and the Emergency Assistance for Livestock, Honeybees and Farm-raised Fish Program (ELAP).

When disasters strike, the USDA Farm Service Agency (FSA) can assist producers who suffered excessive livestock death losses and grazing or feed losses due to eligible natural disasters.

To participate in livestock disaster assistance programs, producers will be required to provide verifiable documentation of death losses resulting from an eligible adverse weather event and must submit a notice of loss to their local FSA office within 30 calendar days of when the loss of livestock is apparent. For grazing or feed losses, producers must submit a notice of loss to their local FSA office within 30 calendar days of when the loss is apparent and should maintain documentation and receipts.

To be eligible for livestock deaths, producers must submit evidence to support their losses. Some examples of records that could be used to help support a claim include: veterinary records, contemporaneous producer records, veterinary certification existing at the time of the event, balance sheets, brand inspection records, loan records, docking records, bank statements, shearing records, farm credit balance sheets, property tax records, ear tag records, trucking and/or livestock hauling records, sales and purchase receipts, inventory records used for tax purposes, private insurance documents, chattel inspections, and canceled check documentation.

To be eligible for livestock injuries, producers must submit one of the following documents: sales receipt from a livestock auction, sale barn or other similar livestock sales facility; private insurance documents; or processing plant receipt. At a minimum, these records must include livestock kind, type, and weight, and the price for which the animal was sold.

For more information on documentation requirements associated with receiving disaster-related assistance, contact your local FSA office.

Update Your Records with FSA

Producers are encouraged to contact the county FSA office if they have had changes over the past year that would impact their farm records in the FSA database. For example, producers who have unreported changes of address, zip code, phone number, or email address or experienced a name or business name change, compared to what's in the FSA file, should contact their FSA office.

Changes in a producer's farm operation, like the addition of a farm by lease or purchase, need to be reported to the county FSA office as well.

Producers participating in FSA programs are required to timely report changes in their farming operation to the County Committee in writing and update their CCC-902 Farm Operating Plan.

If you have any updates or corrections, please call your local FSA office to update your records.

December FSA Interest Rates

OPERATING/OWNERSHIP

Farm Operating: 2.5% Microloan Operating: 2.5% Farm Ownership: 3.125%

Farm Ownership - Joint Financing: 2.5% Farm Ownership - Down Payment: 1.5%

Emergency - Actual Loss: 3.5%

FARM STORAGE

Farm Storage Facility Loan 3 year term: 1.625% Farm Storage Facility Loan 5 year term: 1.625% Farm Storage Facility Loan 7 year term: 1.75% Farm Storage Facility Loan 10 year term: 1.875% Farm Storage Facility Loan 12 year term: 1.875%

MARKETING ASSISTANCE

Commodity Loan: 2.625%

Dates to Remember

Dec. 20, 2019 - Deadline to enroll in the 2019 Market Facilitation Program

Dec. 20, 2019 – Deadline to enroll in Dairy Margin Coverage Program for 2020

Dec. 24, 2019 - FSA offices closed for holiday

Dec. 25, 2019 - FSA offices closed for holiday

Jan. 1, 2020 – FSA offices closed for holiday

Jan. 2, 2020 – Deadline to report honeybees for 2020 FSA program eligibility (ELAP, NAP)

Jan. 20, 2020 - FSA offices closed for holiday

Feb. 28, 2020 - Deadline to apply under general signup for Conservation Reserve Program

March 2, 2020 – Deadline to file supporting documents for 2019 Livestock Indemnity Program applications, as well as application for payment

March 16, 2020 – Election and 2019 enrollment deadline for the Ag Risk Coverage (ARC) and Price Loss Coverage (PLC) programs

**Please note any above NAP calendar references may not be inclusive for all NAP-covered crops; NAP participants should contact their County FSA Office to confirm important program deadlines.

USDA is an equal opportunity provider, employer and lender. To file a complaint of discrimination, write: USDA, Office of the Assistant Secretary for Civil Rights, Office of Adjudication, 1400 Independence Ave., SW, Washington, DC 20250-9410 or call (866) 632-9992 (Toll-free Customer Service), (800) 877-8339 (Local or Federal relay), (866) 377-8642 (Relay voice users).